THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH): (a) to (c) There is no proposal presently to have a bilateral Free Trade Agreement with Pakistan on the lines of India — Sri Lanka FTA.

Interconnection Agreement of BSNL with Cellular Operators

*337. SHRI VIJAY J. DARDA:
SHRI GHULAM NABI AZAD:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that Bharat Sanchar Nigam Limited proposes to review the interconnection agreement signed with the basic telecom operators with a view to increase its revenues;

(b) if so, whether any talks have been held with the basic telephone operators in the matter; and

(c) whether the basic operators have expressed apprehensions about the proposed policy of Government which may adversely hit them while competing with the low tariff proposed by Government?

THE MINISTER OF COMMUNICATIONS (SHRI RAM VILAS PASWAN): (a) to (c) Bharat Sanchar Nigam Limited (BSNL) has proposed to review the existing Interconnection Agreement with Basic Service Operators (BSOs) to revise the existing revenue sharing arrangements for local and long distance calls in proportion to the usage of their network for origination, carriage and termination of the telephone calls.

Within the framework of the Interconnection Agreement with the private Basic Service Operators, BSNL invited the private BSOs to discuss the proposal for new revenue sharing regime. However, before completion of the discussions, the private Basic Service Operators moved a petition before the Telecom Disputes Settlement and Appellate Tribunal (TDSAT). While TDSAT has passed an interim order, the matter is still to be finally decided.

Employees Stock Option Scheme

*338. SHRIMATI VANGA GEETHA: Will the Minister of FINANCE be pleased to state:

(a) whether companies giving shares to their employees are being brought under "Employees Stock Option Scheme":

(b) if so, the details of the scheme; and

(c) the formula for issuing of shares to employees and basis to determine the number of shares to be allotted to each employees?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) The SEBI Employee Stock Option (ESOP) Scheme Guideline, 1999 governs the granting of options or shares by companies listed on stock exchanges to their employees.

(b) The features of (ESOP) Scheme *inter alia*, include the following:—

(i) An employee who is not a promoter or part of group is eligible to participate in ESOP.

(ii) No ESOP shall be offered unless the company constitutes a Compensation Committee for administration of ESOP. The Compensation Committee shall formulate the details terms and conditions including quantum of option to be granted per employees, conditions under which option vested may lapse, exercise period, time period within which vested options may be exercised etc.

(iii) No ESOP can be offered unless the shareholders of the company approve the ESOP scheme by passing a special resolution.

(c) Companies have the freedom to determine ESOP pricing subject to con.pliance with the accounting policies specified in the guidelines. The compensation committee of the Board of Directors of the company decides the number of shares/options to be granted per employee and other terms and conditions of the ESOP scheme.

New Gas Pipelines by GAIL

*339. SHRI YADLAPATI VENKAT RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Gas Authority of India Limited has laid LPG pipeline from Jamnagar in Gujarat to Loni in UP;

(b) whether GAIL propose to lay two such gas pipelines in South India one from Vizag to Secunderabad in Andhra Pradesh and another from Mangalore in Karnataka to Coimbatore;

(c) if so, by when these pipelines are likely to be in place and functional; and